

over the next 10 years may be too big because of overly optimistic budget surplus projections. This Member fully expects that after conference with the Senate this tax cut will be reduced in size.

In regards to inheritance taxes, this Member does not think the conference version of this tax bill should or will include a total elimination of the Federal inheritance tax in the case of "super-wealthy" individuals. While this Member wants to give inheritance tax relief to family farms and family small businesses by accelerating the exemption level for Federal inheritance taxes to \$1 million, he does not think it is appropriate at this time to eliminate the Federal inheritance tax altogether for very wealthy individuals. Hopefully, the complete phase-out will be eliminated in the House-Senate Conference. Some say the super-wealthy don't pay inheritance tax anyway—that they in part give it to charities or establish foundations to avoid taxes. Of course that is an exaggeration, but certainly we don't want to reduce such charity or beneficial giving by eliminating the inheritance tax on the super-wealthy. The American society would surely be harmed.

This Member also notes that the legislation includes tax relief for private utilities with nuclear power plants in a state-deregulated environment. It is important to recognize that as states have taken action to deregulate, two unintended Federal tax problems have resulted. This bill addresses the nuclear decommissioning fund issue which affects private utilities. Unfortunately, the bill does not address the private-use issue which affects consumer-owned utilities. This Member hopes that during the conference, relief can also be provided to consumer-owned utilities which are also hindered by an outdated Federal tax law.

On a different note, this Member is quite pleased that two particular provisions are included in H.R. 2488 which will increase rural housing opportunities. In fact, this Member has been quite active during his entire tenure in promoting the need for adequate, affordable rural housing. First, H.R. 2488 includes an increase in the Low Income Housing Tax Credit program from \$1.25 to \$1.75 per capita. The bill phases in the increase by 10 cents per year from 2000 to 2004 until it reaches \$1.75 and indexes it for inflation thereafter. This provision will give states additional resources in providing rural housing throughout America. Second, H.R. 2488 accelerates the phase in of the private activity cap to \$75 per capita beginning in 2000. This provision will give additional capital for financing home purchases by low and moderate-income homebuyers in the mortgage revenue bond program.

Therefore, for the above reasons and others, this Member gives his qualified support to H.R. 2488, the Financial Freedom Act.

INTRODUCTION OF THE TEACHER TAX EXEMPTION ACT OF 1999

HON. GEORGE MILLER

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Monday, July 26, 1999

Mr. GEORGE MILLER of California. Mr. Speaker, today, I am introducing legislation that would strengthen our national educational system by addressing the most important education issue facing the country, teacher quality.

My legislation will provide a financial bonus, in the form of a tax exemption, to qualified teachers who teach in schools where fifty-percent or more of the children qualify for free or reduced-price lunches.

There are many things we can do to increase teacher quality, and some steps are being attempted now through other legislation. But one of the most concrete and important steps we can take is to create real financial incentives for qualified individuals to teach in high-poverty schools.

For high poverty schools, attracting and retraining well-qualified teachers is a critical part of a comprehensive strategy to close the achievement gap between rich and poor students and between minority and non-minority students.

Schools serving low-income students have far too few adequately qualified teachers. Research suggests that this is one of the primary reasons that the achievement of low-income students lags behind that of more affluent students.

This achievement gap is both unnecessary and dangerous. All children can achieve at high levels if they are taught at high levels. The achievement gap threatens not only the life chances of millions of low-income students but also the civic and economic health of the country as a whole.

It is incumbent upon us to act quickly and decisively to correct it.

We have heard much about nationwide "teacher shortages." Indeed, the U.S. Department of Education estimates that schools will need to hire 2 million teachers over the next decade.

But the real problem is not absolute teacher shortages, but rather shortages in specific geographical areas and in certain academic subjects. In particular, there is a dearth of teachers in particular subject areas—such as special and bilingual education, mathematics, and science. And there is a shortage of qualified teachers in underfunded schools, particularly in urban and rural districts.

For example, in the largest local educational agency in my Congressional district—the West Contra Costa County Unified School District—62% of all teachers hired this year are college interns or are teachers with emergency credentials. Because West Contra Costa is not as affluent as other neighboring school districts, and therefore cannot offer the same salaries and working conditions, it faces serious challenges in competing for qualified teachers.

Furthermore, even within the same school district, where schools offer the same salary schedules, emergency-certified teachers are overwhelmingly concentrated in the highest poverty schools. While the high-poverty schools 50% or more of the entire faculty is under-qualified, in other schools, just miles away, all teachers are fully-credentialed.

I believe that higher pay, along with ongoing professional development and support, especially for new teachers, can go a long way in leveling the educational playing field. Boosting pay in key professions is widely recognized as an effective strategy for maintaining quality. For example, the House Defense Appropriations bill for the Fiscal Year 2000 contains \$300 million in bonuses to help retain qualified Air Force pilots.

We need to mount a similar effort nationwide to recruit and retain highly qualified teachers so that all children, regardless of

where they live or their family background, have the opportunity for a world-class education.

My legislation would exempt the first \$40,000 in salary for teachers teaching academic subjects in high-poverty schools—schools in which at least 50% of the students enrolled qualify for the free or reduced price lunch programs. It would increase take-home pay by about \$5,900 for a qualified single teacher with the average national teacher salary of \$40,000.

In order to qualify for the exemption, teachers who provide instruction would have to be qualified to provide instruction in each and every academic course they teach. Elementary school teachers would have to demonstrate teaching skill and general subject matter knowledge required to teach effectively in reading, writing, mathematics, social studies, science, and other elements of a liberal arts education. Middle school and secondary school teachers would have to demonstrate a high level of teaching skill and subject matter knowledge in the subjects they teach either by attaining passing scores on academic subject area tests or by holding a bachelor's degree with an academic major in each of the subject areas in which they provide instruction.

Qualified special education teachers and bilingual teachers also would be eligible for the exemption.

I believe a teacher salary tax exemption is an ideal way to solve several critical problems. It would strengthen education, and address the most important education issue facing the country, by steering high quality teachers to underperforming schools. And it would provide targeted tax relief to the middle class rather than an open-ended tax cut that benefits wealthier Americans without solving any critical particular social problem.

U.S. teachers teach more hours per day than their counterparts in other countries and take more work home to complete at night, on the weekends and holidays. At the same time, U.S. teachers must go into substantial debt to become prepared for a field that pays less than virtually any other occupation requiring a college degree.

I believe taxpayers are willing to direct additional resources to raise teacher salaries to a level commensurate with teachers' knowledge and skills and with the important role they play in our society. But I also think the public wants and deserves to know that such funds are being spent in an effective and responsible manner that results in improved academic achievement for students. That means tying increased pay to teacher qualifications and deploying our most talented teachers in the areas that are having the most difficult time attracting and retaining them.

I look forward to working with my colleagues in passing this important legislation.

CONGRATULATING MS. WILSON'S KINDERGARTEN CLASS

HON. ROBERT E. ANDREWS

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Monday, July 26, 1999

Mr. ANDREWS. Mr. Speaker, I rise today to commemorate a great day, on which thirty Kindergarten students from the Shady Lane